

The Gazette of India

EXTRAORDINARY

PART I—Section 1

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MINISTRY OF COMMERCE & INDUSTRY

PUBLIC NOTICES

IMPORT TRADE CONTROL

New Delhi, the 11th August 1958

No. 68-ITC(PN)/58.—As already announced in the Press, the U.C. Government have agreed to make available a credit in dollars to the Government of India from the Development Loan Fund for the import of equipment for Jute and Cement industries and also for the import of c.k.d. packs for the manufacture of trucks and jeeps. As a result, it will now be possible for the Government of India to issue import licences without any conditions regarding deferred payments for projects which the Government of India consider to be of sufficient importance for financing out of the Development Loan Fund.

2. The procedure to be followed for the import of equipment for jute and cement industries is set out in the Public Notice No. 69-ITC(PN)/58, dated 11th August 1958 and 70-ITC(PN)/58 dated 11th August 1958. A separate Public Notice will issue regarding c.k.d. packs for trucks and jeeps. Applications should be made to the authorities concerned as early as possible in the manner prescribed. One copy each of the applications should be sent to the Deputy Economic Adviser in the Ministry of Commerce and Industry, Udyog Bhavan, New Delhi. So far as Automobile and Jute industries are concerned, applications already received under the normal procedure will be considered under the Development Loan Fund and such further information as may be required will be called for. No fresh applications need be submitted in substitution of the earlier applications.

3. The equipment referred to above for the cement and jute industries includes not only the plant and machinery, but any constructional material required for completing the project including steel for structures, earth moving equipment, electric fittings, and essential supplies of spares that may be necessary by way of initial reserve to start the operations. The picture should be as complete as possible and include all items that would need to be imported in order to start production other than raw materials with an indication of the likely source of supply in each case. It should be understood that all normal import licensing restrictions will be applicable and goods and equipment indigenously available in adequate quantities will not be allowed for importation.

SUBJECT:—*Import of equipment for Jute Industry under Development Loan Fund Programme.*

No. 69-ITC(PN)/58.—The procedure for the import of equipment for Jute Industry under the Development Loan Fund Programme will be as follows:—

1. Applications should be made in the form given in Annexure I and submitted to the Jute Commissioner, 4, Esplanade East, Calcutta with a copy to the Deputy Economic Adviser, Ministry of Commerce & Industry, Udyog Bhavan, New Delhi.

2. Import permits will be granted in the form in Annexure II and will be governed by the conditions set forth in this notice and in the Annexures as may be amended from time to time. Payment against the import permits may be made by the licensees through authorised dealers in the foreign exchange in the normal way. The Government of India will obtain reimbursement later from the Development Loan Fund set up by the United States Government.

3. The contract with the suppliers, should indicate that payment would be made in dollars and the contract should be placed between now and the 31st December, 1958 for delivery before the 31st December, 1959.

4. In respect of all purchases outside U.S.A., insurance must be covered with an Indian Insurance Company. The payment of insurance premium should be in rupees and it should be ensured that in case of damage or loss the compensation will be paid by the insurance company in dollars. Contracts with suppliers in U.S.A. should be covered with insurance with U.S. companies.

5. Claims for damage and deficiency in quality and specifications, shall be settled by payment in U.S. dollars, the payment being remitted by the supplier to the concerned bank in India, of the importer, for the account of the importer. Immediately upon the settlement of such claims, the importer should notify the Jute Commissioner, Calcutta of the details of such payments. It is imperative that importers should receive the dollar claims in India and should, in no case, arrange for their being credited to their accounts with the suppliers.

6. It should be understood that the Government of India will not undertake any responsibility for disputes, if any, that may arise between the importers and the suppliers.

7. The importers must notify the suppliers that the transaction will be ultimately financed by the Development Loan Fund of the U.S. Government and must inform the suppliers the terms and conditions set forth in Annexure III.

ANNEXURE I TO PUBLIC NOTICE No. 69-ITC(PN)/58, DATED THE 11TH AUGUST, 1958.

To

The Joint Chief Controller of Imports & Exports, Calcutta.

(Through the Jute Commissioner, 4, Esplanade East, Calcutta.)

From

.....
(Full name and address of company or firm making application.)

SUBJECT:—Application for issuance of a permit for import into India of equipment for Jute Industry.

(1) (We), (I), the undersigned, the fully authorised representative/s of the (company)/(firms) of:

.....
(Full name and address of company or firm)

do hereby apply for an import permit in the amount of \$.....

Rupees.....to import into India the commodity indentified in paragraph (2) below.

(2) The general description of the commodity/ies, we will import is as follows:—

Description of commodity.	Quantity.	Value (FOB/FAS/C&F/CIF)	
		Dollars	Rupees

(If necessary, continue the commodity description on the reverse.)

(3) We will solicit bids for the above commodity from suppliers in:

(State proposed areas of Source).....

(4) We will advertise for delivery F.O.B.....

F.A.S.....

(Fill in one and show type C.&F.....
carrier and name of port.)

C.I.F.....

(U.S. Sources only.....)

(5) The port of entry into India will be.....

(6) We will arrange the payment against this import permit through authorised dealers in foreign exchange in the normal manner.

(7) We undertake to submit all relevant documentations to the Department of Economic Affairs, Ministry of Finance before effecting payments to the suppliers in terms of the import permit that may be issued to us.

(We), (I), have read, understand, and will comply with the Terms and Conditions of the Import Permit issued pursuant to this application:

(Signature of authorised representative)..... (Date).....

Name in Block letters.....

Designation.....

ANNEXURE I TO PUBLIC NOTICE No. 69-ITC(PN)/58, DATED THE 11TH August 1958

GOVERNMENT OF INDIA
(IMPORT TRADE CONTROL)
IMPORT PERMIT

(Imports of Jute Machinery and Equipments)

Issued under the provisions of Imports and Exports (Control) Act 1947, as amended from time to time and without prejudice to the application of any other prohibition or regulation affecting the importation of Jute Machinery and Equipments which may be in force at the time of its arrival.

The Government of India are pleased to permit

Messrs.....

Address.....

Income-tax verification No.....to import Jute Machinery and Equipments subject to the conditions prescribed in Ministry of Commerce & Industry Public Notice No. 69-ITC(PN)/58, dated the 11th August, 1958 and any other condition that may further be prescribed in this behalf by the Government of India from time to time through Official Gazette.

Description of Commodity.....

Description of different items.	Approximate Quantity	Value FOB/FAS/C&F/CIF	
		Dollars	Rupces
(i)
(ii)
(iii)
(iv)
(v)
(vi)
(vii)

Source.....

(b) In the case of all shipments the importer shall specify in Invitations for Bids, and contracts, and arrange for the inclusion in the letter of Credit of the 50 per cent. U.S. flag vessel requirement to assure that at least 50 per cent. of

the total tonnage of all orders placed under this import permit shall be shipped on U.S. flag commercial vessels. When appropriate the Supplier (shipper) may apply to the Manager, Development Loan Fund, International Cooperation Administration, Washington, 25, D.C., U.S.A. for a waiver from such requirement. This requirement applies to all shipments made on dry bulk carriers, dry cargo liners and tankers.

2. *General.*—The Joint Chief Controller of Imports & Exports, Calcutta, may amend or revoke this import permit at any time by furnishing the importer reasonable advance written notice thereof.

3. Commodities imported under this import permit shall be used only for the purposes for which this import permit is issued and/or in accordance with such conditions as may hereafter be prescribed by the Ministry of Commerce & Industry. The importer shall promptly furnish to the Ministry of Commerce & Industry all relevant information concerning details of purchase and use of commodities obtained under this import permit.

4. The importer shall promptly comply with any directions, instructions or orders issued by the Jute Commissioner regarding any and all matters arising from or pertaining to this import permit.

5. *Importer's responsibilities for reporting to I.C.A. Office of small business.*—
(a) Before placing or agreeing to place any order of \$ 5,000 or more under this import permit the importer shall fully execute the attached form titled "Importer's Report to the Office of Small Business, I.C.A., Washington", Annexure IV of this Public Notice and shall submit it to the Jute Commissioner, Calcutta. After its approval by him they will send such form by registered airmail to the Office of Small Business, I.C.A., Washington 25 D.C. Such form shall be fully executed in duplicate and in English and the commodity specifications shall be complete and stated in terms of U.S. standards. If information relating to U.S. Standards is not available, the description of commodities should be sufficiently complete with adequately described out-turn characteristics. Under no circumstances mention should be made of non-U.S. Standards in the reports. In the case of reports relating to proprietary items of equipments, the importer should apply to the Office of Small Business for a waiver of the waiting period of thirty days stipulated in (b) below while transmitting the reports to them.

The importer is cautioned that splitting orders to reduce each order to a value of less than \$ 5,000 for the purpose of evading the requirement for reporting to the Office of Small Business, I.C.A., Washington, will be a cause for the immediate cancellation of this import licence.

(b) The importer shall not accept any offer or place any order under this import permit until 30 days have elapsed from the time that the approved reporting form, Annexure IV hereof, reaches, or in the normal course of the mail would reach, the Office of Small Business, I.C.A., Washington, 25, D.C. The Manager, Development Loan Fund, may at his sole discretion waive or reduce the 30 days waiting period pursuant to written application by the importer. The importer shall not take any action contrary to the above without written approval from the Manager of the Development Loan Fund, I.C.A., Washington, 25, D.C.

(c) When procurement is undertaken through public advertisement and publicly opened formal sealed bid procedures, in lieu of furnishing the form prescribed in paragraph (a) above, the importer shall at least 30 days before the date of the public opening of sealed bids transmit through the Deputy Economic Adviser, Ministry of Commerce & Industry, Udyog Bhavan, New Delhi, to the Office of Small Business, I.C.A., Washington, 25, D.C., a copy of the complete Invitation for Bids together with specific information as to where and how full bidding sets (invitation to bid forms and complete specifications) may be obtained by prospective suppliers. All such Invitations for Bids shall include specifications based on U.S. Standard and full complete terms, conditions and provisions applicable to the invitation and to any resulting contract, and shall be in English.

(d) The importer shall submit the form prescribed in paragraph (a) above or the invitation for Bids as prescribed in paragraph (c) above to the Deputy Economic Adviser at least 7 days prior to the deadline date on which the Office of Small Business, I.C.A., Washington, 25, D.C. should receive such information.

NOTE.—When the information received by the Office of Small Business is not in accordance with the provisions of (a), (b), (c), or (d) above, it will be returned to the sender with revision instructions. Thirty days' notice to the Office of Small Business will apply to the amended data starting from the date of receipt by the Office of Small Business of acceptable amended data.

(e) In addition to the above information the importer, when purchasing under formal sealed bids (or when otherwise specifically requested) shall, within thirty (30) days after making an award, furnish the Office of Small Business, I.C.A., Washington, 25, D.C., through the Deputy Economic Adviser, an abstract of all bids showing the full names and addresses of all bidders, the bids they submitted in terms of commodities, quantity, and prices, and the full name and address of the successful bidder or bidders. Such documentation shall be in English.

(f) If the importer is an exclusive representative, agent, affiliate or distributor for a manufacture, U.S. or foreign, and is bound by agency agreement to buy only from such manufacturer, the importer shall instruct his principal to so inform the Manager, Development Loan Fund, I.C.A., Washington, 25, D.C., and request a waiver from the requirements of paragraphs (a), (b), (c) and (d) above. If such manufacturer (the principal) obtains a waiver, the importer shall instruct such manufacturer to send copies of such waiver to the importer and the Ministry of Commerce & Industry. Requests for waiver under these circumstances must be made by the manufacturer or principal and requests from importers will not be considered.

6. *Importer's Instructions to Suppliers.*—The importer shall apprise the supplier of any special provisions in this import permit which affect the supplier in carrying out the transaction.

7. *Contracting and Delivery Period.*—The importer shall conclude contracts within the period specified in this import permit. Any contracts entered into prior to or after the specified date shall not be valid, for financing under the import permit. Deliveries under valid contracts must be made during the period and on or before the terminal delivery date specified in this import permit. For the purposes of this import permit the terms "delivery" and "date of delivery" mean the date of shipment specified in the on-board ocean bill of lading covering the shipment to India.

8. *Reporting by Importers on utilisation of this Import Permit.*—Not later than ten calendar days after the expiry of the contracting period specified in this import permit the importer shall in writing report to Deputy Economic Adviser with a copy to the Department of Economic Affairs, the total value in dollars of all commodities contracted for. Such report shall contain the full serial number of the import permit and the name of each supplier and the commodities with full details including contract price. If the importer fails to furnish Deputy Economic Adviser with such report on or before the due date, it will be presumed that no contracts have been entered into and this import permit shall automatically stand cancelled. The attention of the importer is, therefore, invited to the necessity for the proper and expeditious utilisation of this import permit and reporting thereon.

9. *Purchase Price.*—(a) When purchases are made from U.S. suppliers, the purchase price (not including cost of delivery to destination) shall not exceed the market price prevailing in the United States in comparable sales.

(b) When purchases are made from suppliers in "authorised" countries other than the United States of America, the purchase price shall not exceed the lower of (1) the supplier's customary export price or (2) the lowest export market price for the commodity involved in effect in the country of origin at the time of purchase, nor shall the C. & F. Indian port price exceed the C. & F. Indian port price of a comparable item if such items were purchased from a U.S. Supplier.

(c) The prices at which contracts are concluded by the importer will be subject to check by the Indian Government. Any contracts entered into in violation of the conditions of this section titled "Purchase Price" will make the importer liable to cancellation of this import permit.

(d) If this import permit specifically provides that prices should be submitted to the Ministry of Commerce & Industry for checking and approval prior to the conclusion of a contract or the opening of a letter of credit, it shall be the responsibility of the importer and his bank in India to ensure that prior approval of prices has in fact been given by the Government.

(e) No commission paid or to be paid to an agent, broker or other representative of the importer will be eligible for financing under this import permit.

Furthermore, a payment, credit, or allowance to an importer on purchases for his own account may not be considered as commission, but must be treated as a discount and deducted from the invoice price.

(f) The commodities purchased hereunder shall be invoiced to the importer in U.S. dollars and at prices net of all discounts.

NOTE.—The foregoing requires that the importer makes purchases at prices as near as possible to the lowest competitive world export market prices, and it is expected that the importer will make adequate solicitations for bids from suppliers in authorised source countries, will exercise prudence in the negotiations, and will agree to pay no more than the lowest competitive market prices.

10. *Insurance.*—For commodities/equipment of U.S. origin it is necessary that insurance is effected through a U.S. Insurance Company at the lowest competitive rate. For commodities/equipment of non-U.S. origin, insurance may be effected through Indian Insurance Company, so long as the insurance premium is paid in rupees and in case of damage or loss the compensation is received in dollars.

11. The importers shall make arrangements with the suppliers to assure that the equipment obtained in terms of this Public Notice and the shipping containers for such equipment are marked in a manner satisfactory to and in accordance with such instructions as will be notified to the importers shortly. Contracts with the suppliers shall specify this requirement.

ANNEXURE IV TO PUBLIC NOTICE No. 69-ITC(PN)/58, DATED THE 11TH AUGUST, 1958.

IMPORTER'S REPORT TO OFFICE OF SMALL BUSINESS, I.C.A., WASHINGTON, 25, D.C., U.S.A. ON INVITATIONS FOR BIDS UNDER IMPORT PERMIT.

Name & Address of Importer

Quotations will be accepted until _____ date

Import permit number Cabled quotations will / will not be accepted. If yes, give cable address. Approximate dollar amount of proposed purchase.

Full description of commodities and services (excluding ocean transportation and marine insurance) to be imported including sizes, quantities, etc., and any special conditions. The description should be complete, clear, precise and intelligible so as to enable U.S.A. suppliers to make firm offers. Use reverse side or continuation sheet if necessary.

.....
(Name of Importer).

Approved:

By:

.....
(Authorised Signature—
The Jute Commissioner,
4, Esplanade East, Calcutta).

.....
(Authorised Signature).

ANNEXURE V TO PUBLIC NOTICE No. 69-ITC(PN)/58, DATED THE 11TH AUGUST, 1958.
SUPPLIER'S CERTIFICATE

The supplier hereby acknowledges notice that the sum indicated on the accompanying invoice as claimed to be due and owing under terms of the underlying contract is to be reimbursed from funds made available by the United States under the Mutual Security Act, as in effect on the date hereof, and subject

to I.C.A. Regulation 1, as amended, and further certifies and agrees with the Director of the International Co-operation Administration (ICA) as follows:—

- (1) The supplier is entitled under said contract to the payment of the sum claimed and he will promptly make appropriate refund to the buyer upon request of the buyer at the instance of the Director through the Government of India in the event of his non-performance, in whole or in part, under said contract, or for any breach by him of the terms of this certificate.
- (2) Adjustment refunds or credits arising out of the terms of the contract or the customs of the trade shall be made direct to the buyer, but the supplier will promptly notify the Director concerning any such adjustment refunds or credits, so that the Director may obtain appropriate refund from the cooperating country. If an adjustment results in an additional charge to the purchaser, the supplier will promptly notify the Director of such additional charge.
- (3) If the said contract is on a C. & F. (cost and freight) or a C.I.F. (cost, insurance and freight) basis, the supplier is entitled to payment, under I.C.A. Regulation 1, as amended, of any ocean freight charges included in the sum claimed. The supplier is entitled to payment, under I.C.A. Regulation 1, as amended, of any ocean marine insurance premium charges included in the sum claimed.
- (4) The supplier is the producer, manufacturer, processor, or exporter of, or a regular dealer in, the commodity, or furnishes the service covered by said contract and has not employed any person to obtain said contract under any agreement for a commission, percentage, or contingent fee, except to the extent, if any, of the payment of a commission to a *bona fide* established commercial or selling agent employed by the supplier as disclosed on the reverse of this form.
- (5) The supplier has not given or received and will not give or receive by way of side payment, "kickbacks", or otherwise, any benefit in connection with said contract except as is disclosed on the reverse of this form, or as is the result of the adjustments referred to in paragraph 2.
- (6) If the supplier is the producer, manufacturer or processor of a commodity, said contract is not a cost plus-a-percentage-of-cost contract.
- (7) The supplier further certifies, on the basis of information obtained from such sources as are available to him, that to the best of his information and belief the purchase price is no higher than the market price (which shall mean the export market price, where such a price is customary in the trade) prevailing in the United States at the time of purchase, adjusted for differences in the cost of transportation to destination, quality, and terms of payment.
- (8) The supplier further certifies that (a) on the basis of information obtained from such sources as are available to him, and to the best of his information and belief, the purchase price is no higher than the price calculated in accordance with the applicable price provisions of I.C.A. Regulation 1, as amended, and he has complied with the rules provided therein; and (b) he has allowed all discounts, including discounts for quantity purchases and prompt payment, customarily allowed his other customers similarly situated.
- (9) If the supplier furnishes only a service, he shall not be deemed to certify to paragraphs 7 and 8 but instead certifies that the rate indicated on the reverse of this form for the service rendered does not exceed the prevailing rate, if any, for similar services, or the rate paid to the supplier for similar services by other customers similarly situated.
- (10) The supplier has filled in the applicable portions of the invoice-and-contract abstract on the reverse hereof, certifies to the correctness of the information shown therein, and will furnish promptly to the Director at his request such additional information in such form

as the Director may require concerning price or any other details
of the purchase.

.....
(Date)

.....
Authorised Signature
(See Instructions.)

.....
(Title)

(Place executed—City, State, Country).

NOTES.—(a) Any amendments, deletions of applicable provisions, or substitutions will invalidate this certificate, (b) False statements herein are punishable by United States Law, (c) The word "Duplicate" must be written after signature on all signed copies other than the original.

INVOICE-AND-CONTRACT ABSTRACT

Invoice Information—this space for ICA use only.

1 Procurement Authorisation or project implementation order No.		2. Invoice amount after Discount.		3. Source Country.		4. Gross long Tons.	
5 Vessel-name.		Bulk	Berth	Tanker	6. Flag		7. Port of Exit
9 Commodity or service in-English		10. ICA code		11. Invoice Date		12. Quantity	
				13. Quantity Unit		14. Unit price	
						15. Shipping Terms.	
16 Supplier's name, address and social security Employer No.				17. Class of supplier (Check one), Manufacturer, Producer, or processor-primary seller		18. Importer's name and address.	
				Merchant exporter or other-secondary seller			

Information as to Agents' Commissions, domestic and foreign

1 Names of Agents		20. Addresses.		21. Commissions in invoice amount paid or to be paid.	
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Contract and Price Information

22 Contract Date		23. Contract shipping terms		24. Contract Amount.		25. Contract Quantity.		26. Contract unit Price.		27. Domestic unit Price.	
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28 Specify here items and amounts that will account for any differences between contract, invoice, and domestic unit prices.

SUBJECT:—*Import of equipment for Cement Industry under Development Loan Fund Programme.*

No. 70-ITC(PN)/58.—The procedure for the import of equipment for Cement Industry under the Development Loan Fund Programme will be as follows:—

2. Applications should be made in the form at Annexure I, and submitted through the Industrial Adviser (Chemicals), Udyog Bhavan, New Delhi with a copy to the Deputy Economic Adviser, Ministry of Commerce and Industry, Udyog Bhavan, New Delhi.

3. Import permits will be granted in the form in Annexure II and will be governed by the conditions set forth in this notice and in the Annexures as may be amended from time to time. Payment against the import permits may be made by the licensees through authorised dealers in the foreign exchange in the normal manner. The Government of India will obtain reimbursement from the Development Fund Loan set up by the United States Government.

4. The contract with the suppliers, should indicate that payment would be made in dollars and the contract should be placed between now and the 31st December, 1958 for delivery before the 31st December, 1959.

5. In respect of all purchases outside U.S.A., insurance must be covered with an Indian Insurance Company. The payment of insurance premium should be in rupees and it should be ensured that in case of damage or loss the compensation will be paid by the insurance company in dollars. Contracts with suppliers in U.S.A. should be covered with insurance with U.S. companies.

6. Claims for damage and deficiency in quality and specifications, shall be settled by payment in U.S. dollars, the payment being remitted by the supplier to the concerned bank in India, of the importer, for the account of the importer. Immediately upon the settlement of such claims, the importer should notify the Ministry of Commerce and Industry of the details of such payments. It is imperative that importers should receive the dollar claims in India and should, in no case, arrange for their being credited to their accounts with the suppliers.

7. It should be understood that the Government of India will not undertake any responsibility for disputes, if any, that may arise between the importers and the suppliers.

8. The importers must notify the suppliers that the transaction will be ultimately financed by the Development Loan Fund of the U.S. Government and must inform the suppliers the terms and conditions set forth in Annexure III.

ANNEXURE I TO PUBLIC NOTICE No. 70-ITC(PN)/58, DATED THE 11TH AUGUST, 1958.

To

The Chief Controller of Imports and Exports,
Ministry of Commerce and Industry, New Delhi.
[Through the Industrial Adviser (Chemicals), Udyog Bhavan, New Delhi.]

From

.....
(Full name and address of company or firm making application.)

Subject:—Application for issuance of a permit for import into India of equipment for Cement Industry.

(1) (We), (I), the undersigned, the fully authorised representative/s of the (company) or (firm) of:

.....
(Full name and address of company or firm)
do hereby apply for an import permit in the amount of \$.....
Rupees.....to import into India the commodity
identified in paragraph (2) below.

(2) The general description of the commodity/ies, we will import is as follows:—

Description of commodity	Quantity	Value (FOB/FAS/C&F/CIF)
		(Dollars) (Rupees)

(if necessary, continue the commodity description on the reverse.)

(3) We will solicit bids for the above commodity from suppliers in:—
(State proposed areas of Source).....

(4) We will advertise for delivery F.O.B.....
F.A.S.....
(U.S. Sources only.....)

(Fill in one and show type C&F.....
carrier and name of port.)
C.I.F.....

(5) The port of entry into India will be.....

(6) We will arrange the payment against this Imports permit through authorised dealers in foreign exchange in the normal manner.

(7) We undertake to submit all relevant documentations to the Department of Economic Affairs, Ministry of Finance before effecting payments to the suppliers in terms of the import permit that may be issued to us.

(We), (I), have read, understand, and will comply with the Terms and Conditions of the Import Permit issued pursuant to this application:

.....
(Signature of authorised representative.) (Date)

Name in Block letters.....

Designation.....

ANNEXURE—II TO PUBLIC NOTICE NO. 70-ITC(PN)/58, DATED THE 11TH AUGUST, 1958

(Imports of cement making machinery and equipments)

Issued under the provisions of Imports and Exports (Control) Act 1947, as amended from time to time and without prejudice to the application of any other prohibition or regulation affecting the importation of cement making machinery and equipments which may be in force at the time of its arrival.

The Government of India are pleased to permit

Messrs.

Address.....

Income-tax verification No.....to import cement making machinery and equipments subject to the conditions prescribed in Ministry of Commerce & Industry Public Notice No. 70-ITC(PN)/58, dated the 11th August 1958 and any other condition that may further be prescribed in this behalf by the Government of India from time to time through Official Gazette.

Description of Commodity.....

Description of different items	Approximate quantity	Value Dollars	FOB	/FAS/C&F/CIF Rupees
(i)				
(ii)				
(iii)				
(iv)				
(v)				
(vi)				
(vii)				

Source.....

Contracting period from.....Ending.....

Delivery period from.....Ending.....
(period of shipment).

Amount of Dollars sub-authorized: U.S. Dollars.....
Rupees equivalent:.....

Banking Institution to handle financing:
Bank in India.....

Basis of Delivery.....

Ports of entry into India.....

Limiting Factor.....

This import permit is subject to the conditions specified below:—

Dated.....

for Chief Controller of Imports & Exports.

Payment against this import permit may be effected by the beneficiaries through authorised dealers in foreign exchange in the normal manner. It is incumbent on the beneficiary and his designated Indian Bank to ensure that the following documents, duly completed, are submitted to the Department of Economic Affairs, Ministry of Finance, under intimation to the Deputy Economic Adviser, Ministry of Commerce & Industry, Udyog Bhavan, New Delhi, before payments are made to the suppliers:

(i) **Supplier's certificate**, in triplicate, with invoice and contract abstract on reverse side (Form ICA-280), set out in Annexure V covering the following:—

(a) **Cost of Commodity**.—The cost of the commodity including the costs of ocean freight and/or marine insurance when such costs are paid by the supplier for his own or the buyer's account under a commodity PA or PIO to be executed by the suppliers of the commodity.

(b) **Cost of ocean freight**.—The cost of ocean freight to be executed by the ocean carrier.

(c) **Cost of marine insurance**.—The cost of marine insurance to be executed by the insurer, insurance broker, or underwriter.

(ii) **Evidence of shipment**.—Bill of Lading.

(iii) **Supplier's invoice**.—Only copy (or photostat) of Supplier's Invoice showing quantity, description, gross sales price, net sales price and basis of delivery of the commodities or services and either (i) marked "paid" by the supplier or (ii) endorsed by, or accompanied by a certificate of an officer of the banking institution indicating that payment has been made in the amount shown on the invoice.

- (iv) A copy of Purchase Order or contract.
- (v) Receipt from the Supplier for payments received by them should be forwarded to the Ministry of Finance (Department of Economic Affairs) within a fortnight of the date of payment.
- (vi) Additional or substitute documents as may be required by the Ministry of Finance (Deptt. of Economic Affairs).
- (vii) Special Instructions, if any.....

ANNEXURE III TO PUBLIC NOTICE NO. 70-ITC(PN)/58, DATED 11TH AUGUST, 1958

TERMS AND CONDITIONS OF IMPORT PERMIT

1. *Ocean Transportation.*—(a) In the case of cargoes shipped on Indian flag vessels, reimbursement for ocean freight is not financed by Development Loan Fund.

(b) In the case of all shipments the importers shall specify in Invitations for Bids, and contracts, and arrange for the inclusion in the letter of Credit of the 50 per cent. U.S. flag vessel requirement to assure that at least 50 per cent of the total tonnage of all orders placed under this import permit shall be shipped on U.S. flag commercial vessels. When appropriate, the Supplier (shipper) may apply to the Manager, Development Loan Fund, International Cooperation Administration, Washington, 25, D.C., U.S.A. for a waiver from such requirement. This requirement applies to all shipments made on dry bulk carriers, dry cargo liners and tankers.

2. *General.*—The Chief Controller of Imports & Exports, New Delhi may amend or revoke this import permit at any time by furnishing the importer reasonable advance written notice thereof.

3. Commodities imported under this import permit shall be used only for the purposes for which this import permit is issued and/or in accordance with such conditions as may hereafter be prescribed by the Ministry of Commerce & Industry. The importer shall promptly furnish to the Ministry of Commerce & Industry all relevant information concerning details of purchase and use of commodities obtained under this import permit.

4. The importer shall promptly comply with any directions, instructions or orders issued by Ministry of Commerce and Industry regarding any and all matters arising from or pertaining to this import permit.

5. *Importer's responsibilities for reporting to I.C.A. Office of small business.*—(a) Before placing or agreeing to place any order of \$ 5,000 or more under this import permit the importer shall fully execute the attached form titled "Importer's Report to the Office of Small Business, I.C.A., Washington", Annexure IV of this Public Notice and shall submit it to the I.A. (Chemicals). After its approval by him they will send such forms by registered airmail to the Office of Small Business, ICA Washington, 25, D.C., such form shall be fully executed in duplicate and in English and the commodity specification shall be complete and stated in terms of U.S. standards. If information relating to U.S. Standards is not available, the description of commodities should be sufficiently complete with adequately described out-turn characteristics. In case of reports relating to proprietary items, the importer may apply to the Office of Small Business for a waiver of the waiting period stipulated in (b) below while transmitting the reports to them.

The importer is cautioned that splitting orders to reduce each order to a value of less than \$ 5,000 for the purpose of evading the requirement for reporting to the Office of Small Business, I.C.A., Washington, will be a cause for the immediate cancellation of this import licence.

(b) The importer shall not accept any offer or place any order under this import permit until 30 days have elapsed from the time that the approved reporting form, Appendix IV hereof, reaches, or in the normal course of the mail would reach, the Office of Small Business, ICA, Washington 25, D.C. The Small Business Office may at its sole discretion waive or reduce the 30 days waiting period pursuant to written application by the importer. The importer shall not take any action contrary to the above without written approval from the Office of Small Business, ICA, Washington 25, D.C.

(c) When procurement is undertaken through public advertisement and publicly opened formal sealed bid procedures, in lieu of furnishing the form prescribed in paragraph (a) above, the importer shall at least 30 days before the date of the public opening of sealed bids transmit through the Deputy Economic Adviser, Ministry of Commerce & Industry, Udyog Bhavan, New Delhi, to the Office of Small Business, I.C.A., Washington, 25, D.C., a copy of the complete Invitation for Bids together with specific information as to where and how full bidding sets (invitation to bid forms and complete specifications) may be obtained by prospective suppliers. All such Invitations for Bids shall include specifications based on U.S. Standard and full and complete terms, conditions and provisions applicable to the invitation and to any resulting contract, and shall be in English.

(d) The importer shall submit the form prescribed in paragraph (a) above or the Invitation for Bids as prescribed in paragraph (c) above to the Deputy Economic Adviser, Ministry of Commerce and Industry, Udyog Bhavan, New Delhi, at least 7 days prior to the deadline date on which the Office of Small Business, ICA, Washington 25, D.C. should receive such information.

NOTE.—When the information received by the Office of Small Business is not in accordance with the provisions of (a), (b), (c), or (d) above, it will be returned to the sender with revision instructions. Thirty days' notice to the Office of Small Business will apply to the amended data starting from the date of receipt by the Office of Small Business of acceptable amended date.

(e) In addition to the above information the importer, when purchasing under formal sealed bids (or when otherwise specifically requested) shall, within thirty (30) days after making an award, furnish the Office of Small Business, I.C.A., Washington, 25, D.C., through the Deputy Economic Adviser, Ministry of Commerce and Industry, an abstract of all bids showing the full names and addresses of all bidders, the bids they submitted in terms of commodities, quantity, and prices, and the full name and address of the successful bidder or bidders. Such documentation shall be in English.

(f) If the importer is an exclusive representative, agent, affiliate or distributor for a manufacturer, U.S. or foreign, and is bound by agency agreement to buy only from such manufacturer, the importer shall instruct his principal to so inform the Manager, Development Loan Fund, I.C.A., Washington, 25, D.C., and request a waiver from the requirements of paragraphs (a), (b), (c) and (d) above. If such manufacturer (the principal) obtains a waiver, the importer shall instruct such manufacturer to send copies of such waiver to the importer and the Ministry of Commerce & Industry. Requests for waiver under these circumstances must be made by the manufacturer or principal and requests from importers will not be considered.

6. *Importer's Instructions to Suppliers.*—The importer shall apprise the supplier of any special provisions in this import permit which affect the supplier in carrying out the transaction.

7. *Contracting and Delivery Period.*—The importer shall conclude contracts within the period specified in this import permit. Any contracts entered into prior to or after the specified date shall not be valid, for financing under this import permit. Delivery under valid contracts must be made during the period and on or before the terminal delivery date specified in this import permit. For the purposes of this import permit the terms "delivery" and "date of delivery" mean the date of shipment specified in the on-board ocean bill of lading covering the shipment to India.

8. *Reporting by Importers on utilisation of this Import Permit.*—Not later than ten calendar days after the expiry of the contracting period specified in this import licence the importer shall in writing report to the Deputy Economic Adviser with a copy to the Department of Economic Affairs, the total value in dollars of all commodities contracted for. Such report shall contain the full serial number of the import permit and the name of each supplier and the commodities with full details including contract price. If the importer fails to furnish the Deputy Economic Adviser with such report on or before the due date, it will be presumed that no contracts have been entered into and this import permit shall automatically stand cancelled. The attention of the importer is, therefore, invited to the necessity for the proper and expeditious utilisation of this import permit and reporting thereon.

9. *Purchase Price.*—(a) When purchases are made from U.S. suppliers, the purchase price (not including cost of delivery to destination) shall not exceed the market price prevailing in the United States in comparable sales.

(b) When purchases are made from suppliers in "authorised" countries other than the United States of America, the purchase price shall not exceed the lower of (1) the supplier's customary export price or (2) the lowest export market price for the commodity involved in effect in the country of origin at the time of purchase, nor shall the C. & F. Indian port price exceed the C. & F. Indian port price of a comparable item if such items were purchased from a U.S. supplier.

(c) The prices at which contracts are concluded by the importer will be subject to check by the Indian Government. Any contracts entered into in violation of the conditions of this section titled "Purchase Price" will make the importer liable to cancellation of this import permit.

(d) If this import permit specifically provides that prices should be submitted to the Ministry of Commerce & Industry for checking and approval prior to the conclusion of a contract or the opening of a letter of credit, it shall be the responsibility of the importer and his bank in India to ensure that prior approval of prices has in fact been given by the Government.

(e) No commission paid or to be paid to an agent, broker or other representative of the importer will be eligible for financing under this sub-authorisation. Furthermore, a payment, credit, or allowance to an importer on purchases for his own account may not be considered as commission, but must be treated as a discount and deducted from the invoice price.

(f) The commodities purchased hereunder shall be invoiced to the importer in U.S. dollars and at prices net of all discounts.

NOTE.—The foregoing requires that the importer makes purchases at prices as near as possible to the lowest competitive world export market prices, and it is expected that the importer will make adequate solicitations for bids from suppliers in authorised source countries, will exercise prudence in the negotiations, and will agree to pay no more than the lowest competitive market prices.

10. *Insurance Pool.*—For commodities/equipment of U.S. origin it is necessary that insurance is effected through a U.S. insurance company at the lowest competitive rate. For commodities/equipment of non-U.S. origin, insurance may be effected through an Indian Insurance Company, so long as the insurance premium is paid in rupees and in case of damage or loss the compensation is received in dollars.

11. The importers shall make arrangements with the suppliers to assure that the equipment obtained in terms of this Public Notice and the shipping containers for such equipment are marked in a manner satisfactory to and in accordance with such instructions as will be notified to the importers in due course. Contracts with the suppliers shall specify this requirement.

ANNEXURE IV TO PUBLIC NOTICE NO. 70-ITC(PN)/58, DATED THE 11TH AUGUST, 1958.

IMPORTER'S REPORT TO OFFICE OF SMALL BUSINESS, I.C.A., WASHINGTON, 25, D.C., U.S.A. ON INVITATION FOR BIDS UNDER IMPORT PERMIT.

Name and Address of Importer

Quotations will be accepted until _____
date

Import permit number

Cabled quotations will/will not be accepted. If yes, give cable address

Approximate dollar amount of proposed purchase

Full description of commodities and services (excluding ocean transportation and marine insurance) to be imported including sizes, quantities, etc., and any special conditions. The description should be complete, clear, precise and intelligible so as to enable USA suppliers to make firm offers. Use reverse side or continuation sheet if necessary.

Approved

(Name of Importer)

By:

(Authorised Signature— Industrial Adviser (Chemicals), Ministry of Commerce & Industry.)

(Authorised signature)

ANNEXURE V TO PUBLIC NOTICE No. 70-ITC(PN)/68, DATED THE 11TH AUGUST, 1958.

SUPPLIER'S CERTIFICATE

The supplier hereby acknowledges notice that the sum indicated on the accompanying invoice as claimed to be due and owing under terms of the underlying contract is to be reimbursed from funds made available by the United States under the Mutual Security Act, as in effect on the date hereof, and subject to I.C.A. Regulation 1 as amended, and further certifies and agrees with the Director of the International Co-operation Administration (ICA) as follows:—

- (1) The supplier is entitled under said contract to the payment of the sum claimed and he will promptly make appropriate refund to the buyer upon request of the buyer at the instance of the Director through the Government of India in the event of his non-performance, in whole or in part, under said contract, or for any breach by him of the terms of this certificate.
- (2) Adjustment refunds or credits arising out of the terms of the contract or the customs of the trade shall be made direct to the buyer, but the supplier will promptly notify the Director concerning any such adjustment refunds or credits, so that the Director may obtain appropriate refund from the cooperating country. If an adjustment results in an additional charge to the purchaser, the supplier will promptly notify the Director of such additional charge.
- (3) If the said contract is on a C. & F. (cost and freight) or a C.I.F. (cost, insurance and freight) basis, the supplier is entitled to payment, under I.C.A. Regulation 1, as amended, of any ocean freight charges included in the sum claimed. The supplier is entitled to payment, under I.C.A. Regulation 1, as amended, of any ocean marine insurance premium charges included in the sum claimed.
- (4) The supplier is the producer, manufacturer, processor, or exporter of, or a regular dealer in, the commodity, or furnishes the service covered by said contract and has not employed any person to obtain said contract under any agreement for a commission, percentage, or contingent fee, except to the extent, if any, of the payment of a commission to a *bona fide* established commercial or selling agent employed by the supplier as disclosed on the reverse of this form.
- (5) The supplier has not given or received and will not give or receive by way of side payment, "kickbacks", or otherwise, any benefit in connection with said contract except as is disclosed on the reverse of this form, or as is the result of the adjustments referred to in paragraph 2.
- (6) If the supplier is the producer, manufacturer or processor of a commodity, said contract is not a cost plus-a-percentage-of-cost contract.
- (7) The supplier further certifies, on the basis of information obtained from such sources as are available to him, that to the best of his information and belief the purchase price is no higher than the market price (which shall mean the export market price, where such a price is customary in the trade) prevailing in the United States at the time of purchase, adjusted for differences in the cost of transportation to destination, quality, and terms of payment.
- (8) The supplier further certifies that (a) on the basis of information obtained from such sources as are available to him, and to the best of his information and belief, the purchase price is no higher than the price calculated in accordance with the applicable price provisions of I.C.A. Regulation 1, as amended, and he has complied with the rules provided therein; and (b) he has allowed all discounts, including discounts for quantity purchases and prompt payment, customarily allowed his other customers similarly situated.
- (9) If the supplier furnishes only a service, he shall not be deemed to certify to paragraphs 7 and 8 but instead certifies that the rate indicated on the reverse of this form for the service rendered does not exceed the prevailing rate, if any, for similar services, or the rate paid to the supplier for similar services by other customers similarly situated.

- (10) The supplier has filled in the applicable portions of the invoice-and-contract abstract on the reverse hereof, certifies to the correctness of the information shown therein, and will furnish promptly to the Director at his request such additional information in such form as the Director may require concerning price or any other details of the purchase.

(Date)

Authorised Signature (see instructions.)

Title

(Place executed (City, State, Country))

NOTES.—(a) Any amendments, deletions of applicable provisions, or substitutions will invalidate this certificate.

(b) False statements herein are punishable by United States law.

(c) The word "Duplicate" must be written after signature on all signed copies other than the original.

INVOICE-AND-CONTRACT ABSTRACT

Invoice Information—this space for ICA use only

1. Procurement Authorisation or project implementation order No.	2. Invoice amount after Discount	3. Source Country	4. Gross long Tons
5. Vessel—name	Bulk	Berth	Tanker
		6. Flag	7. Port of Exit
8. Date B/L			
9. Commodity or service—in English	10. ICA code	11. Invoice Date	12. Quantity
		13. Quantity Unit	14. Unit price
			15. Shipping Terms
16. Supplier's name, address and social security Employer No.?	17. Clas of supplier (Check one) Manufacturer, Producer, or processor-primary seller		18. Importer's name and address
	Merchant exporter or other-secondary seller		

Information as to Agents' Commissions, domestic and foreign

19. Names of Agents	20. Addresses.	21. Commissions in invoice amount paid or to be paid.
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Contract and Price Information.

22. Contract Date	23. Contract shipping terms	24. Contract amount Amount	25. Contract Quantity	26. Contract unit Price	27. Domestic unit Price
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28. Specify here items and amounts that will account for any differences between contract, invoice, and domestic unit prices.

S. N. BILGRAMI, Joint Secy.

